

**MINUTES OF REGULAR MEETING OF  
THE NORTH TAHOE PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
North Tahoe Event Center  
8318 North Lake Boulevard, Kings Beach, CA 96143**

**Tuesday, September 13, 2011  
8:30 A.M. Closed Session  
9:30 A.M. Open Session**

**CALL TO ORDER/ESTABLISH QUORUM**

The Regular Meeting of the North Tahoe Public Utility District Board of Directors was held on Tuesday, September 13, 2011 at the North Tahoe Event Center in Kings Beach, California. President Lewis called Closed Session to order at 8:30 a.m. Present were Directors Bergmann, Mooney, Daniels, Ferrell, and President Lewis. A quorum was established.

**CLOSED SESSION AGENDA**

Pursuant to Government Code, the Board of Directors held a closed session to discuss the following listed items:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Discussion pursuant to subdivision (a) of Section 54956.9. Name of case: North Tahoe Public Utility District vs. The Garwood Building. Director Mooney recused himself from the discussion.
2. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION  
Discussion pursuant to subdivision (b) of Section 54956.9. Number of cases: One (2)

Upon adjourning to Open Session, President Lewis reported that no action was taken during Closed Session.

**PLEDGE OF ALLEGIANCE**

President Lewis called Open Session to order at 9:30 a.m. Director Ferrell led the Pledge of Allegiance.

Staff present were General Manager Schultz, Chief Financial Officer Marple, Parks and Facilities Manager Long, Construction Administrator Butterworth, Contracts and Planning Coordinator Gibbons, Sr. Financial Analyst Rosenthal, Acting Utility Operations Manager Begin, Human Resources Technician Keechler, Executive Assistant Lefrancois, and Board and Records Secretary Potts. Counsel Eskind was also present.

**REVIEW OF AGENDA:** No changes were made to the agenda, however the Board reserved the right to take items out of order.

**PUBLIC FORUM (TIMED ITEM 9:35 a.m.):** No members of the public were present to address the Board, therefore Public Forum was closed at 9:35 a.m.

**CONSENT CALENDAR:**

1. Approve Accounts Paid in the amount of \$517,880.93 and Payable in the amount of \$216,683.11 for the period from August 8, 2011 to September 12, 2011 with potential conflicts for Directors Bergmann and Mooney in the amount of \$4,769.85.
2. Approve Minutes of the August 9, 2011 Regular Board Meeting and August 26, 2011 Special Board Meeting.
3. Authorize General Manager to Enter into Professional Services Agreement with Kennedy/Jenks Consultants, and authorize Task Order 001 for Peer Review of National Avenue Water Treatment Plant Programmable Logic Controller (PLC) Bid Documents in the amount of \$15,000 (#1219).
4. Authorize General Manager to Execute Task Order 002 with Nichols Consulting Engineers for Kingswood 500 Tank and 120 Booster Demolition and Griff Creek Restoration in the amount of \$50,085 (#1114).
5. Authorize General Manager to Execute Line Extension Agreement with Southwest Gas Corporation for Natural Gas Service to Secline Pump Station in the amount of \$15,371.69 (#1021-SPSR).

Director Daniels identified a clerical correction on page 1 of the August 8, 2011 minutes which was to be corrected by Board Secretary Potts before finalizing the draft minutes. Director Daniels requested that Item #3 be discussed prior to the vote without removing it from the consent calendar.

**MOTION: Upon motion by Director Ferrell and second by Director Daniels, the Board voted to approve the Consent Calendar with noted conflicts for Directors Bergmann and Mooney as presented. The motion carried unanimously (5-0) by Roll Call vote.**

## **MANAGEMENT TEAM INFORMATIONAL UPDATES**

### **Management Services Department Report**

- a. Review and Discuss Monthly Financial Statement through June 2011
- b. Treasurer's Report

Director Bergmann presented a revised Treasurer's Report reviewed by the Finance Committee which clarifies funds set aside for reserves and specific projects. President Lewis deferred discussion until next month after the full Board has an opportunity to review the new format.

### **Parks and Facilities Department Report**

Park and Facilities Manager Long updated the Board on seasonal activities and boat launch activities, as well as recent events held at Kings Beach State Recreation Area (John Reichert Memorial Car Show) and the North Tahoe Regional Park (Wiley Foundation Fundraiser, Dog Day at the Park).

### **Planning and Engineering Department Report**

Contracts and Planning Coordinator Gibbons updated the Board on current projects. She introduced District resident, David Reese who requested an opportunity to address the Board during Public Forum.

## **Public Forum**

President Lewis reopened public forum at approximately 10:00 a.m. in order to allow Mr. Reese to make his comments to the Board. He explained that he had inquired about a new water connection for a residence on Pino Grande because he believed that it was going to be connected to the water line on Aluna for which he had borne the expense. He advised the Board that Suzi had responded to his inquiry, and addressed his concerns. Public Forum was closed at approximately 10:05 a.m.

### **Utility Operations Department Report**

Acting Utility Operations Manager Begin discussed recent activities of the Utility Operations Crew related to contractors working in the District. He advised of resolutions proposed for recent odor complaints. Director Ferrell requested that staff prepares a cost estimate for District response to water main leaks, and including this on future departmental reports.

### **OLD BUSINESS**

#### **Base Facilities – Further Discussion**

No updated information was available to the Board since the workshop. Options for financing base facilities, and the District's current financial position were discussed at length. Director Mooney stated that he wants to move forward to satisfy the operational need for covered parking for District vehicles. Director Bergmann expressed interest in financing a more aggressive water replacement program than currently underway. The manner in which District base facilities are held, currently within the sewer department, was discussed. President Lewis wants to take all savings into consideration in determining the cost of financing the base facilities, including staffing levels, partnership costs, and liquidation of District assets.

#### **NEW BUSINESS:**

Authorize Recommended Action and Adopt Resolution 2011-15 Finding an Emergency Exists Relative to the Rim Drive Water Main and Delegating Authority to the General Manager to Replace a Portion of the Rim Drive Water Main without Competitive Solicitation of Bids. Additionally, Deny Claim from Property Owner of 334 Rim Drive.

Contracts and Planning Coordinator Gibbons presented the need for the Emergency Declaration by the Board for work needed urgently to repair leaks within the Rim Drive Water Main. Director Ferrell advised inclusion of 300 additional feet of line as an emergency because of its comparable age.

**MOTION: Motion was made by Director Ferrell and seconded by Director Bergmann to Adopt Resolution 2011-15 A Resolution of the Board of Directors of the North Tahoe Public Utility District Finding An Emergency Exists Relative to the Rim Drive Water Main (with the inclusion of the additional 300 feet of line as discussed above) and Delegating Authority to the General Manager/CEO to Enter into the Necessary Agreements without Competitive Solicitation of Bids. The motion carried (4-1) with Director Mooney voting No.**

**MOTION: Motion was made by Director Ferrell to authorize General Manager Schultz to enter into the necessary agreements for the replacement of the**

necessary portion of water main on Rim Drive without competitive solicitation of bids. The motion carried (4-1) with Director Mooney voting No.

**MOTION: Motion was made by Director Daniels and seconded by Director Ferrell to authorize a budget adjustment for the Rim Drive Water Main Replacement Project in the amount of \$335,000. The motion carried with four ayes, and one no (Director Mooney).**

Human Resources Specialist Keechler acting as the District's risk management administrator presented details of the claim made by the homeowner at 334 Rim Drive citing water damage to the residence. Ms. Keechler recommended denying the claim and referring it to the District's insurance company for handling.

**MOTION: Upon motion by Director Daniels and second by Director Mooney, the Board voted unanimously (5-0) to deny the claim at 334 Rim Drive and refer it to the District's insurance carrier.**

#### **GENERAL MANAGER/CEO COMMENTS**

General Manager Schultz advised the Board that he was working on revising the District's organizational structure, and is planning to present it to the ad hoc Personnel Committee before the next regular meeting in October.

#### **CORRESPONDENCE**

General Manager Schultz presented the correspondence included in the Board packet. Survey results from the survey completed by the North Lake Tahoe Resort Association were discussed.

#### **BOARD OF DIRECTOR'S COMMENTS**

Director Daniels commended Contract and Planning Coordinator Gibbons for her efforts with the Kingswood Estates Association, and thanked General Manager Schultz and Park and Facilities Manager Long for a recent meeting at the Tahoe Vista Recreation Area site in response to community input.

President Lewis praised Planning and Engineering Manager Stelter for his efforts since coming on Board, and for his attitude in taking on additional challenges, and demonstrating willingness to take on projects such as the Water Master Plan.

No further comments.

#### **ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at 11:15 a.m.

Marianne Potts  
Board and Records Secretary